

**MONTANA-DAKOTA UTILITIES CO.
SOUTH DAKOTA PUBLIC UTILITIES COMMISSION
SET 1 - DATA REQUESTS
ISSUED FEBRUARY 12, 2019
DOCKET NO. NG19-002**

1-2. Provide information on how the conservation analyst position allocation was previously calculated and how it is currently calculated.

Response:

The methodology used to allocate the labor cost for the Conservation Analyst position is based on the actual number of rebates processed for each jurisdiction and has not changed from the previous methodology. However, the allocation factors had not been updated since the 2013 review resulting in South Dakota's allocation to be understated in prior years.

The Company has put in place a process and now reviews the actual number of rebates each January and adjusts the allocation factors based on the results of the review.